

Delaware Division of the Arts

Delaware State Arts Council Meeting Minutes
June 18, 2014
10 a.m. to 2 p.m.
Buena Vista Conference Center, New Castle, DE

Attending: Council: Lise Monty (Chair), Tina Betz, Joann Browning (arrived 12 p.m.), Lori Crawford, Robert Fitzgerald, Rick Givens, Margaret Johnson, Ralph Kuebler, Heather Morrissey, Cheryle Pringle, Carol Rothschild, John Sarro, Catherine Walls, Mack Wathen

Staff: Paul Weagraff, Kristin Pleasanton, Terry Plummer, Sheila Ross, Roxanne Stanulis, Katie West, Gwen Henderson, Dana Wise

Absent: Lou Braithwaite, Jon Newsom

The meeting was called to order at 10:00 a.m.

Minutes were approved from the March 26, 2014 Council meeting.

Chair's Report

Ms. Monty welcomed new council member, Cheryle Pringle, who replaces outgoing member, Gail Lear; and also welcomed the Division's new program manager, Katie West. Thanks were extended to all who participated in the panel review process this spring; and to those who helped select the consultants who will be assisting in the strategic planning process (John Sarro, Mack Wathen, Tina Betz, Kristin Pleasanton, and Paul Weagraff, along with Ms. Monty). Ms. Monty announced that the Council will be acknowledging Gail Lear's service at lunchtime. Thanks were extended to Sheila Dean Ross for reaching out to First Lady Carla Markell to include her in planning for the upcoming Governor's Awards for the Arts. The First Lady provided many good suggestions in the initial meeting.

Ms. Monty announced that Mack Wathen has graciously agreed to continue as the Council representative to ArtCo Board, and asked for a motion to approve. The motion was made and seconded, followed by unanimous consent.

Sheila Ross – Governor Awards

As of June 17, the Division had received four nominations for individuals and two for organizations, with an expectation of many more before the June 20 deadline. Council members were encouraged to solicit nominations, if they had someone in mind. Council members and staff cannot nominate anyone.

Director's Report

Welcome New Staff Member

After an exhaustive (and exhausting) search, the Division is pleased to welcome its newest Program Manager, Katie West to the staff. Katie comes to the Division with a wide range of arts administration experience, most recently with the highly successful Pennsylvania Performing Arts on Tour (PennPAT).

Funding Projections for FY2015

The Division of the Arts will receive a \$26,500 (4.1%) increase from the NEA in FY15, up from \$638,100 to \$664,600.

State funding for FY2015, as of June 17, 2014, is projected to be level from FY2014, with the exception of a small increase to cover personnel costs. All funding proposals discussed today reflect the assumption that the budget will not change in the remaining days of the legislative session.

New Technology for the Division

The Division's website and DelawareScene.com are now mobile-device-friendly. Accompanying DelawareScene.com is the new mobile app, *What's On*, which allows users with a smart phone to locate arts events going on right around them. The Division has developed a marketing piece to promote the Division's online resources to the arts, for media distribution and circulation through arts venues statewide.

Strategic Planning

The Division of the Arts is required by the National Endowment for the Arts to routinely engage in a public strategic planning process. The Division's current plan is slated to wind down in FY2015. In January 2014, the Division sent out Strategic Planning RFPs to approximately ten consultants and received three proposals. After reviewing all three, Maren Brown Associates, LLC from Florence, MA was selected. The Division will begin working with Maren and her team (Mary Margaret Schoenfeld) this summer, with the bulk of the work to be done in the fall and early 2015. The goal is to have a strategic plan ready for Council approval at the March 2015 meeting. Thanks to Lise Monty, Mack Wathen, John Sarro, Tina Betz, and Kristin Pleasanton for assisting in the selection process.

Sheila Ross - Writers' Retreat Update

- Deadline for applying was 6/10/14
- The Division received 16 applications for poetry, 18 for prose/writing and 14 fellowship applications
- Twenty-one spaces are available for participants; workshop leaders will select 10 for poetry, 10 for prose/writing and 1 fellowship artist. After consultation with Poet Laureate JoAnn Balingit, the Division will be offering one artist the opportunity to come free of charge to write in exchange for teaching one class. This is to encourage the writing community to take more responsibility for getting this opportunity and in turn giving back.
- The applications are currently being juried by outside artists and the Division will have the responses back by the end of the month.
- Date of the retreat: October 16 – 19, 2014

Grants Updates

Following up on a March agenda item, Division staff will shortly be asking a few Council members to review some options for how best to handle the university and municipal programs that apply for funding, particularly the larger ones, so that the Division can provide the most effective review and funding approach to programs that serve the general public. The goal is to have this resolved in time for the next grant application cycle.

Per the March 2015 approval of moving to a three-year application cycle for General Operating Support, the Division will notify arts organizations of the transition to the three-year General Operating Support Grant cycle once they have received their FY2015 grant awards. This will reduce considerably the load on staff and panels each year, as well as on the applicants themselves. Interim reports and financial updates will be required annually, but a full application will only be submitted every third year.

The Division anticipates three new arts organizations applying for StartUp funding and technical support this fall. All three have been in communication with Terry Plummer, who coordinates that program.

For your calendar

September 20, 2014	IAF Reception – Biggs Museum, Dover; 11am – 1pm
September 17, 2014	Quarterly State Arts Council Meeting, 1 st Strategic Planning Retreat; (10 a.m. to 3 p.m.), Grass Dale Center in Delaware City (NC)
October 6, 2014	Governor's Awards for the Arts, Grand Opera House, Wilmington
October 2014	Strategic Planning Focus Groups (Oct. 8-10, 15-17), Locations TBD Regional Strategic Planning meetings (Oct. 23-24, 27-28), Locations TBD
October 16-19, 2014	Biennial Writers Retreat at the Virden Center
December 17, 2014	Quarterly State Arts Council Meeting (9:30 a.m. to 11:30 a.m.), Location TBD (Sussex)
January 14, 2015 (January 21, 2015)	2 nd Strategic Planning Retreat (10 a.m. to 3 p.m.), Location TBD (NC) Snow Date

Conflicts of interest in reviewing funding recommendations were confirmed:

- John Sarro – University of DE
- Rick Givens - Smyrna Opera House
- Ralph Kuebler –Center for the Creative Arts
- Carson Zullinger – Delaware Center for the Creative Arts
- Jon Newsom – Rehoboth Art League (RAL)
- Cathy Walls - Millsboro Art League and Mispillion Art League, Downtown Milford Inc.
- Lise Monty - Cancer Support Community DE
- Joann Browning – University of DE
- Mack Wathen – University of DE
- Carol Rothschild – DE Center for Contemporary Arts/DE Art Museum

Funding Allocations/Considerations

This year the Division reviewed all the organizations with full applications during three days of panel meetings for General Operation Support (small, medium and large arts organizations), with an additional two days for the other panels.

- Total of 63 GOS applications
- 29 Project Support applications
- 8 Art Stabilization Fund applications
- 15 Education Resource applications (record number)
- Total panel review process was 5 days

Council was provided with spreadsheets explaining funding scenarios and Mr. Weagraff explained the process.

Council member asked for a refresher on the DE Arts Trust Fund. Weagraff explained that revenue is generated from the Division of Corporations through the Department of State office and the amount is \$1.6 million, from which 90% goes to general operating support grants for the 15 arts organizations whose budgets exceed \$650,000. The remaining 10% is allocated to arts marketing initiatives.

Grants not discussed today: *Artist Residencies* – they come up during the course of the year; *Artist Opportunities* – small grants awarded throughout the course of the year typically \$750 - \$1,000.; *StartUp applications* – considered in the fall; *Community-Based Opportunity Grants* – small grants awarded throughout the course of the year.

Approval Process for All Grant Categories

The Director presented a spreadsheet of funding recommendations, based upon panel scores, their follow-up discussion, and available funds in each category. Council discussion ensued, as it related to that specific grant category. For voting, any application that represented a conflict for a Council member was voted on first, with that council member (or members) recusing him/herself. The remaining slate of applications was then voted on as a whole.

Project Support Grants Approval

Motion and second to approve Cancer Support Community – All in favor – Abstained-Lise Monty

Motion and second to approve Downtown Milford, Inc. – All in favor – Abstained-Cathy Walls

Motion and second to approve UD REP – All in favor – Abstained-Mack Wathen, John Sarro (Joann Browning not present)

Motion and second to approve funding recommendation for UD Master Players – All in favor – Abstained-Mack Wathen, John Sarro, (Joann Browning not present)

Motion and second to approve funding recommendation for remaining PS applications – All in favor

Arts Stabilization Fund Grants Approval

Motion and second to proceed with the “alternate” funding proposal which excludes Schwartz Center from funding, based, in part, on uncertainty about future leadership in the organization – (Opposed–Lori Crawford, Cathy Walls) – All else in favor. Passed with majority.

Motion and second to approve funding recommendations for Center for the Creative Arts – All in favor – (Abstained-Ralph Kuebler)

Motion and second to approve zero-funding recommendation for DE Center for Contemporary Arts – All in favor – (Abstained-Carol Rothschild)

Motion and second to approve funding recommendations for remainder of ASF applications – All in favor

Education Resource Grants Approval

Motion and second to approve funding for DE Center for Contemporary Arts – All in favor – Abstained-Carol Rothschild

Motion and second to approve remaining EDR applications – All in favor.

Gallery Panel Review – Kristin Pleasanton

The Division sponsors exhibits 11 months of the year in the Mezzanine Gallery (no exhibit in January). The exhibits are one-person shows, all Delaware artists. The artists get to exhibit by being a fellowship winner by being chosen by the gallery panel that meets once a year. Usually the fellowship winners choose to have exhibitions during the months of September thru December and sometimes into February. The rest of the year is filled with visual images registry winners. All of the artists in the Division’s visual images registry are reviewed and ranked by the gallery panel. Today presentation includes images of the

top ten visual artist registry winners picked by the gallery panel. The Division will offer the top five slots in the gallery, and if an artist declines, the Division moves to the next artist on the list until all slots are filled.

Special Presentation

Lise Monty presented out-going council member Gail Lear with a certificate and gift for her service to the Delaware State Arts Council.

LUNCH

General Operating Support Grants Approval

The GOS applications were divided into four groups. The smallest organizations, with budgets of \$25k or less were reviewed in-house. Then there were 3 grant review panels held for the others, small, medium and large (arts trust). In calculating grant awards this year, the Division staff took a 3-year rolling average of reported expenses, in order to mitigate wider swings of grant awards from one year to the next. This way, if there is one year where an organization has a significant increase/decrease, they will not be immediately impacted dramatically, but rather will see the impact divided over time. All panels recommended funding to all arts organizations at some level, even for those scoring below “meets expectations.” The panels score on a scale of 1 to 5 (3 is meets expectations). Staff presented to the Council two scenarios: one applies a straight formula without reducing grants to low-scoring organizations; the other integrates a reduction for the organizations that scored below 3. Total available dollars for the grant category remains the same.

Very Small – 15 applications – budget \$25k or less – These were not reviewed and scored by a grant panel but were reviewed in-house. The total amount of their reported expenses is less than 1% of the Division’s budgeted funds for GOS grants.

Small – 16 applications – these were scored by a panel. This group represented 2.3% of the total GOS expenses reported from organizations.

Mid-size – 17 applications – representing about 12% of the reported expenses and 12.75% of the funding. All but three scored above 3.0.

Arts Trust Fund – 15 applications – representing 85% of the reported expenses.

El Centro Cultural and DE Children’s Theatre did not apply this year.

- El Centro reported that they chose not to apply because they are in a period of transition, re-examining their structure and leadership. They did not feel that it was responsible to apply for funding at a time when they weren’t sure how the organization will look in the future.
- DE Children’s Theatre did not apply or contact the Division.

Council asked questions about a few organizations at the beginning of the discussion.

New Candlelight – the primary concerns are their financial situation, YPTC did not give a positive review of them, pointing out negative assets, they owe a significant amount to the IRS; the panel expressed concern that they haven’t adequately addressed what they’re doing about their financial situation.

Schwartz Center – the panel had serious concerns about the future of the organization; it is public knowledge that since 2006 the board has been constituted by 1/3 DESU representation, 1/3 Wesley College representation and 1/3 of the former Friends of the Capitol Theatre (*which used to be the sole oversight of the Schwartz Center*); in this last year both DESU and Wesley College announced that they plan to withdraw completely at the end of FY2015. They’re still providing some financial support based on what the bylaws require them to support. The Schwartz Center recently had a consultant come in and conduct a community assessment to see what kind of support they could expect from the greater Dover community (grassroots and corporate support). They are working with that information to figure how to

restructure their board without the two institutions (DESU and Wesley College) at the table, along with how they can find alternate revenue sources in the future.

Update on Clear Space – financials have clearly turned around, attendance increased significantly, they've closed the Thrift Shop realizing that it's not a good source for generating revenue for them. The indication from YPTC is that there are some positive trends taking place and the panel was fairly complimentary. They've worked with DANA and a consultant who continues to work with them to help turn things around for the organization.

Following this discussion, there was a motion and second to use the adjusted formula approach for all GOS applications, which would lower grants for those organizations scoring below "meets expectations" - All in favor.

Discussion on how to adjust funding:

- Council expressed concerns about organizations that consistently score low
- The lower scoring applications are in large part primarily teaching organizations and it seems they do themselves a disservice by not elaborating on the teaching components of their work rather than their public performances, which in many case tend more to be student recitals.
- One council member suggested that a greater decrease might be warranted for the lower scoring organizations in order to send a strong message.
- The question of zero-funding came up, and the Director noted that some level of funding, even if reduced, acknowledges that the organization is providing a valuable community service. One council member noted that reduced funding can communicate concerns without totally cutting the organization off from public funds while trying to make improvements.
- One council member questioned whether it is a good thing to change the threshold for funding (cutoff point) from year to year based on the panels, or whether it would be better to have a set policy.
- Another council member noted the value of being responsive to each panels' recommendations
- One council member commented on the variability of comments that, on occasion, seem subjective. Another commented that this is the nature of panel review, but that it's important to ensure that the process is consistent for all applicants.

Motion and second to use adjusted funding for In-house organizations – All in favor

Motion and second to use adjusted funding for the Center for Creative Arts – All in favor – (Abstained - Ralph Kuebler)

Motion and second to use adjusted funding for Smyrna Opera House – All in favor – (Abstained – Rick Givens)

Motion and second to accept adjusted funding for the remainder of slate for Mid-sized orgs. – All in favor – (Opposed – Lori Crawford).

Motion and second to accept adjusted funding for Mispillion Art League – All in favor – (Abstained – Cathy Walls)

Motion and second to accept adjusted funding for Chesapeake Brass Band – All in favor – (Abstained – John Sarro)

Motion and second to accept adjusted funding for remainder of slate for Small organizations – All in favor.

Motion and second to accept adjusted funding for Clear Space – All in favor – (Abstained – Robert Fitzgerald)

Motion and second to accept adjusted funding for DE Art Museum – All in favor – (Abstained – Carol Rothschild)

Motion and second to accept adjusted funding for DCCA – All in favor – (Abstained – Carol Rothschild)

Motion and second to accept adjusted funding for remainder of slate of large organizations (Arts Trust Fund) – All in favor

Paul – Applications that are not funded will receive notification along with their panel comments. Arts organizations receiving reduced grants will receive specific comments that they are receiving a reduced grant based on the panel review, comments, and council consideration at the meeting, and that the Division is available to them to talk about ways in which the Division may help them be more successful with future applications.

Weagraff raised the point that the Council has typically forwarded a motion to approve funding adjustments across all grant categories (except Arts Stabilization) in the event of a decrease or increase in Division funding with the final approved budget, instead of having to renegotiate everything.

Motion and second to approve across-the-board percentage funding adjustments in the event of an increase/decrease in funding line – All in favor.

Old Business - None

New Business - None

Motion and second to adjourn meeting at 2pm- All in favor.